Government of
Saskatchewan

Financial Statement
2002-2003

Carlton Trail
Regional College

For the fiscal year ending
June 30, 2003

Saskatchewan
Our Future is Wide Open

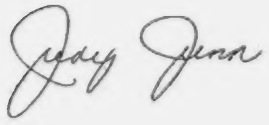
Letter of Transmittal

The Honourable Dr. Lynda M. Haverstock
Lieutenant Governor of Saskatchewan
Province of Saskatchewan

Your Honour:

I have the honour to submit for your consideration the Financial Statements of the Carlton Trail Regional College for the year ending June 30, 2003.

Respectfully submitted,



Judy Junor
Minister of Learning

CARLTON TRAIL REGIONAL COLLEGE
FINANCIAL STATEMENTS
JUNE 30, 2003

AUDITORS' REPORT

To The Directors
Carlton Trail Regional College

We have audited the statement of financial position of Carlton Trail Regional College as at June 30, 2003 and the statements of operations, changes in net assets and cash flows for the year then ended. The College is responsible for preparing these financial statements for Treasury Board's approval. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. These standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the College as at June 30, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Wynyard, Saskatchewan
September 04, 2003

EJC Dudley & Co
Chartered Accountants

CARLTON TRAIL REGIONAL COLLEGE
Statement of Management Responsibility

The College is responsible for the preparation of the financial statements and has prepared them in accordance with Canadian generally accepted accounting principles and in accordance with the guidelines developed by Saskatchewan Learning. The College believes the financial statements present fairly the College's financial position as at June 30, 2003 and the results of its operations for the year then ended.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, the College has developed and maintains a system of internal control designed to provide reasonable assurance that College assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of financial statements.

The Board of Directors is responsible for the review of the financial statements. The Board meets with management and, as required, with the external auditors to discuss the results of audit examinations and financial reporting matters. The external auditors have full access to the Board with and without the presence of management.

The financial statements for the year ended June 30, 2003 have been reported on by E. J. C. Dudley & Co. The Auditor's Report outlines the scope of his examination and provides his opinion on the fairness of presentation of the information in the financial statements.

CEO

Director of Finance

Statement 1

Carlton Trail Regional College
Statement of Financial Position
as at June 30, 2003

	2003		2003	2002
	Operating	Capital	Total	Total
Assets				
Current Assets				
Cash	$ 355,580	$ -	**$ 355,580**	$ 157,541
Temporary investments	240,000	-	**240,000**	465,000
Accounts receivable (Note 3)	257,979	-	**257,979**	107,715
Inventories	9,725	-	**9,725**	10,941
Prepaid expenses	38,576	-	**38,576**	35,128
	901,860		**901,860**	776,325
Non-current Assets				
Construction in Progress	-	19,128	**19,128**	-
Capital Assets (Note 4)	-	972,071	**972,071**	1,099,837
	$ 901,860	$ 991,199	**$ 1,893,059**	$ 1,876,162
Liabilities				
Current Liabilities				
Accounts Payable (Note 6)	$ 345,261	$ -	**$ 345,261**	$ 213,194
Unearned revenue (Note 7)	309,676	-	**309,676**	336,668
	654,937	-	**654,937**	549,862
Net Assets				
Invested in capital assets	-	991,199	**991,199**	1,099,937
Internally restricted (Note 8)	95,955	-	**95,955**	95,955
Unrestricted	150,968	-	**150,968**	130,508
	246,923	991,199	**1,238,122**	1,326,300
	$ 901,860	$ 991,199	$ 1,893,059	$ 1,876,162

The accompanying notes form an integral part of these financial statements.

APPROVED BY THE BOARD

Statement 2

Carlton Trail Regional College
Statement of Operations
for the year ended June 30, 2003

	Budget (Note 9)	2003 Operating	2002	2003 Capital	2002	2003 Total	2002 Total
Revenues (Schedule 1)							
Saskatchewan Learning	$ 2,848,365	$ 2,864,934	$ 2,572,974	$ 19,104	$ 52,894	$ 2,884,038	$ 2,625,868
Federal government	350,000	291,942	243,965	-	-	291,942	243,965
Other revenue	857,546	1,198,983	836,413	-	-	1,198,983	836,413
Total revenues	4,055,911	4,355,859	3,653,352	19,104	52,894	4,374,963	3,706,246
Expenses (Schedule 2)							
Agency Contracts	881,152	1,238,864	786,857	-	-	1,238,864	786,857
Amortization	-	-	-	152,120	142,289	152,120	142,289
Equipment	115,050	99,544	49,287	-	-	99,544	49,287
Facilities	240,100	261,511	265,927	-	-	261,511	265,927
Information Technology	40,790	15,214	10,904	-	-	15,214	10,904
Operating (Schedule 3)	490,715	448,841	373,691	-	-	448,841	373,691
Personal services	2,259,930	2,247,047	2,131,999	-	-	2,247,047	2,131,999
Total expenses	4,027,737	4,311,021	3,618,665	152,120	142,289	4,463,141	3,760,954
Excess (deficiency) of revenues over expenses	$ 28,174	$ 44,838	$ 34,687	$ (133,016)	$ (89,395)	$ (88,178)	$ (54,708)

The accompanying notes form an integral part of these financial statements.

Statement 3

Carlton Trail Regional College
Statement of Changes in Net Assets
for the year ended June 30, 2003

	2003				**2003**	2002
	Capital	Operating				
		Restricted				
	Invested in capital assets	Externally	Internally	Unrestricted	**Total**	Total
Net assets, beginning of year	$ 1,099,837	$ -	$ 95,955	$ 130,508	**$ 1,326,300**	$ 1,381,008
Excess of revenue over expenses	(133,016)	-	-	44,838	**(88,178)**	(54,708)
Interfund transfers (Note 8)	24,378	-	-	(24,378)	-	-
Net assets, end of year	$ 991,199	$ -	$ 95,955	$ 150,968	**$ 1,238,122**	$ 1,326,300

The accompanying notes form an integral part of these financial statements.

Statement 4

Carlton Trail Regional College
Statement of Cash Flows
for the year ended June 30, 2003

	2003	2002
Cash flows from operating activities		
(Deficiency) of revenues over expenses	**$ (88,178)**	**$ (54,708)**
Amortization of capital assets	**152,120**	**142,289**
	63,942	87,581
(Increase) decrease in accounts receivable	**(150,264)**	32,710
Decrease in inventories	**1,216**	3,101
(Increase) in prepaid expenses	**(3,448)**	(17,951)
Increase (decrease) in accounts payable	**132,067**	(27,081)
(Decrease) Increase in unearned revenue	**(26,992)**	181,935
Cash provided from operating activities	**16,521**	**260,295**
Cash flows from investing activities		
Purchase of capital assets	**(43,482)**	(70,164)
Cash used in investing activities	**(43,482)**	(70,164)
Net Increase (decrease) in cash and temporary investments	**(26,961)**	190,131
Cash and temporary investments, beginning of year	622,541	432,410
Cash and temporary investments, end of year	**$ 595,580**	$ 622,541

The accompanying notes form an integral part of these financial statements.

CARLTON TRAIL REGIONAL COLLEGE
Notes to the Financial Statements
for the year ended June 30, 2003

1. PURPOSE AND AUTHORITY

The Carlton Trail Regional College offers educational services and programs under the authority of Section 14 of The Regional Colleges Act.

The Board of the Carlton Trail Regional College is responsible for administering and managing the educational affairs of the College in accordance with the intent of The Regional Colleges Act and its regulations.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant policies:

(a) Fund Accounting

The accounts of the College are maintained in accordance with the principles of fund accounting. For financial reporting purposes, accounts with similar characteristics have been combined into the following major funds:

(i) Operating Fund

The operating fund consists of those revenues and expenses relating to the general operations of the College.

(ii) Capital Fund

The capital fund reflects the unamortized capital assets of the College and the equity of the College in capital assets, after taking into consideration any associated long term debt. The capital fund consists of transfers and donations designated for capital purposes by the contributor, net of the annual amortization expense. Also included in the capital fund are the appropriations for future capital expenditures.

(b) Revenue Recognition

The College follows the restricted fund method of accounting for grants. Restricted transfers related to general operations are recognized as revenue of the operating fund in the year in which the related expenses are incurred. Transfers restricted for capital assets are recognized as revenue of the capital fund when received or receivable.

Unrestricted operating transfers are recognized as revenue of the operating fund when received or receivable. Tuition and fee revenue is recognized as the course instruction is delivered. Revenue from contractual services is recognized as the service is delivered.

(c) **Capital Assets**

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is charged on a straight-line basis over the estimated useful lives of the assets at the following terms, and is reported as an expense in the capital fund:

Buildings	20 years
Furniture and Equipment	3 to 5 years
Leasehold Improvements	Term of Lease or estimated useful life

(d) **Inventories**

Inventories are recorded at the lower of cost and net realizable value.

(e) **Investments**

Investments are recorded at the lower of cost and market value.

(f) **Cash and Temporary Investments** are represented by cash on hand and balances with banks.

3. ACCOUNTS RECEIVABLE

Accounts receivable are composed of the following:

	2003	2002
Saskatchewan Learning	$ 39,675	$ 13,859
Federal Government	60,780	5,400
Other	157,524	88,456
	$257,979	$107,715

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	2003 Net Book Value	2002 Net Book Value
Land	$ 600	0	600	600
Buildings	198,975	106,427	92,548	102,497
Furnishings/Equipment	943,845	874,866	68,979	115,738
Leasehold Improvements	1,170,549	360,605	809,944	881,002
	2,313,969	1,341,898	972,071	1,099,837

5. COMMITMENTS

The College is obligated under the following lease agreements:

(a) Administration Building: A five year lease, expiring June 30, 2006, calls for monthly rental payments of $5,000 plus GST.

(b) Humboldt Education Centre: The joint-use Operating Agreement (three years) requires an annual maintenance fee of $2,650 per month.

(c) Watrous facility: An open-ended lease (99 years) with Long Lake School Division specifying payment of operating costs only.

(d) Equipment: The College is committed to an annual lease payment of $27,021 plus sales taxes in respect of photocopier equipment. The lease expires August 31, 2004.

(e) Wynyard Facility: A 10 year lease expiring December 31, 2009 specifying payment of operating costs only.

(f) Lestock Facility: Originally signed as a five year lease expiring June 30, 2005. By mutual agreement, the lease will end effective January 31, 2004. Original lease specifies an annual rate of $8,000 with a 5% increase per year built into the contract effective the first day of July each year.

6. ACCOUNTS PAYABLE

Accounts payable are composed of the following:

	2003	2002
Accrued Vacation Pay	$ 110,171	$ 96,928
Payroll and Employee Benefits	43,409	62,852
Fireman Training Trust	4,191	0
Trade Payables	187,490	53,414
	$ 345,261	$213,194

7. UNEARNED REVENUE

Unearned revenue consists of transfers received to carry out specific activities in excess of the expenses incurred on those activities at the end of the fiscal year as follows:

	2003	2002
Saskatchewan Learning	$245,039	$311,600
Other	64,637	25,068
	$309,676	$336,668

8. RESTRICTIONS ON NET ASSETS

The Board of Directors of Carlton Trail Regional College have placed internal restrictions on $95,955 (2002 - $95,955) of unrestricted net assets to be used for future expenditures. These internally restricted amounts are not available for other purposes without approval of the Board of Directors.

$ 24,378 (2002 - $17,270) was transferred from unrestricted operating funds to capital assets for the purchase of information technology equipment, computers and office equipment.

9. BUDGET AMOUNTS

The budget submitted with the Business Plan was prepared by Regional College management with Board approval given on May 22, 2002. Ministerial approval was received June 28, 2002.

10. RELATED PARTY TRANSACTIONS

These financial statements include transactions with related parties. The College is related to all Saskatchewan Crown Agencies such as departments, corporations, boards and commissions under the common control of the Government of Saskatchewan. Also, the College is related to non-Crown enterprises that the Government jointly controls or significantly influences.

Routine operating transactions with related parties are recorded at the rates charged by those organizations and are settled on normal trade terms.

	2003	2002
University of Saskatchewan	$ 8,251	$ 3,772
SaskTel and SaskMobility	63,821	53,768
SaskPower & SaskEnergy	23,509	24,020
SIAST	561,163	314,893
Saskatchewan Property Management Corporation	44,008	45,095

During the year the College continued a contract with Saskatchewan Communications Network (SCN) to deliver various training and educational programs. The College received $89,364 during the year from SCN for these programs (2002 - $96,750).

Other transactions with related parties and amounts due to/from them are described separately in the financial statements and the notes thereto.

CARLTON TRAIL REGIONAL COLLEGE
Notes to the Financial Statements
for the year ended June 30, 2003

11. FINANCIAL INSTRUMENTS

(a) The carrying amount of cash and temporary investments, accounts receivable, accounts payable and accrued salaries, and vacation payable approximates fair value due to the short term maturity of these instruments. There are no significant terms or conditions related to these financial instruments that may affect the amount, timing, or certainty of future cash flows.

(b) The College is exposed to credit risk from the potential non-payment of accounts receivable. The majority of the Colleges receivables are from the Provincial and Federal governments or have subsequently been collected therefore credit risk is minimal.

12. PENSIONS

Employees of the College participate in one of two pension plans. Teachers and other employees holding a teaching certificate participate in a defined benefit plan, the Teachers' Superannuation Plan (TSP) which is administered by the Teachers' Superannuation Commission. The Board has no financial obligation to TSP. Eligible employees contribute to TSP for their current service. No matching contribution is made by the College. The General Revenue Fund is responsible for the financial obligations of the TSP. All other employees participate through Municipal Employees' Pension Plan (MEPP) which is a multi-employer defined benefit plan. The College's financial obligation to the MEPP is limited to making required payments to match amounts contributed by employees for current services. Pension expense for the year 2003 amounted to $65,801 (2002 - $57,918).

13. SASKATCHEWAN CAP YOUTH PROJECT

During the year the College entered into an agreement with Industry Canada to pay wages to employees of Canada Community Access Program Youth Employment project for the Province of Saskatchewan. The project employs youth in rural communities to ensure that Canadians in remote and rural areas have affordable access to the information highway.

An administration margin of $16,247 (2002 - $17,045) was acquired from the agreement.

During the year, Youth Internships salaries & benefits totaling $253,624 (2002 - $198,174) were paid out to 48 Community Access Project Sites.

14. COMPARATIVE FIGURES

Certain prior year's comparative figures have been reclassified or adjusted to conform to the current year's basis of presentation.

Schedule 1

Carlton Trail Regional College
Schedule of Operating Fund Revenues by Function
for the year ended June 30, 2003

	2003										
	General	Skills Training		Basic Education		University	Services		**2003**	Budget	2002
		Credit	Non-credit	Credit	Non-credit	Credit	Learner Support	Counsel	**Total**	(Note 9)	Total
Saskatchewan Learning											
Operating grant	$ 1,428,570	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 1,428,570**	$ 1,423,570	$ 1,294,889
Program payments	-	734,941	-	286,219	-	-	-	-	**1,021,160**	1,055,145	906,441
Other	70,767	273,837	-	14,100	-	-	56,500	-	**415,204**	369,650	371,644
	1,499,337	1,008,778	-	300,319	-		56,500	-	**2,864,934**	2,848,365	2,572,974
Federal Government											
Admin recovery	14,019	-	-	-	-	-	-	-	**14,019**	15,000	14,019
Projects	-	-	-	-	-	-	277,923	-	**277,923**	335,000	229,946
	14,019	-	-	-	-	-	277,923	-	**291,942**	350,000	243,965
Other Revenue											
Admin recovery	16,088	38	-	-	-	-	-	-	**16,126**	-	20,682
Contracts	-	245,799	-	-	156,934	17,873	1,745	101,422	**523,773**	379,450	287,085
Interest	18,835	-	-	-	-	-	-	-	**18,835**	15,000	20,042
Rents	45,112	558	80	-	-	-	-	-	**45,750**	29,400	26,334
Resale Items	-	89,521	7,332	1,213	-	-	-	-	**98,066**	97,268	83,704
Tuitions	-	357,873	90,679	6,390	-	-	4,896	-	**459,838**	323,178	392,099
Other	3,852	20,827	6,819	4,576	56	325	-	140	**36,595**	13,250	6,467
	83,887	714,616	104,910	12,179	156,990	18,198	6,641	101,562	**1,198,983**	857,546	836,413
Total revenue	1,597,243	1,723,394	104,910	312,498	156,990	18,198	341,064	101,562	**4,355,859**	4,055,911	3,653,352
Total expenses (Schedule 2)	1,681,208	1,464,489	77,218	293,333	154,589	49,455	344,356	246,373	**4,311,021**	4,027,737	3,618,665
Excess (deficiency) of revenues over expenses	$ (83,965)	$ 258,905	$ 27,692	$ 19,165	$ 2,401	$ (31,257)	$ (3,292)	$ (144,811)	$ 44,838	$ 28,174	$ 34,687

The accompanying notes form an integral part of these financial statements.

Schedule 2

Carlton Trail Regional College
Schedule of Operating Fund Expenses by Function
for the year ended June 30, 2003

	2003								2003	Budget (Note 9)	2002
	General	Skills Training		Basic Education		University	Services				
		Credit	Non-credit	Credit	Non-credit	Credit	Learner Support	Counsel	**Total**	Total	Total
Agency Contracts	$ 7,133	$ 840,389	$ 51,426	$ 2,860	$ 113,051	$ 40,023	$ 143,299	$ 40,683	**$ 1,238,864**	$ 881,152	$ 786,857
Equipment	64,864	7,881	88	11,186	3,730	243	557	10,995	**99,544**	115,050	49,287
Facilities	146,226	66,554	1,958	36,151	10,513	-	109	-	**261,511**	240,100	265,927
Information Technology	13,307	1,835	-	-	52	-	20	-	**15,214**	40,790	10,904
Operating (Schedule 3)	229,916	140,944	20,711	18,870	21,022	1,189	6,435	9,754	**448,841**	490,715	373,691
Personal services	1,219,762	406,886	3,035	224,266	6,221	8,000	193,936	184,941	**2,247,047**	2,259,930	2,131,999
	$ 1,681,208	$ 1,464,489	$ 77,218	$ 293,333	$ 154,589	$ 49,455	$ 344,356	$ 246,373	$ 4,311,021	$ 4,027,737	$ 3,618,665
			$ 1,541,707		$ 447,922			$ 590,729			

Schedule 3

Cartlon Trail Regional College
Schedule of Operating Fund Expenses
for the year ended June 30, 2003

	2003 Total	Budget (Note 9) Total	2002 Total
Advertising	$ 32,679	$ 44,600	$ 26,514
Association Fees & Dues	9,503	10,750	10,208
Bad Debts	6,749	1,000	3,380
Financial Services	506	500	474
In-Service	16,059	21,150	12,953
Insurance	16,554	17,000	16,814
Materials & Supplies	62,106	78,810	70,226
Postage Freight & Courier	18,280	13,250	17,608
Printing & Copying	1,685	4,055	613
Professional Services	17,957	44,000	-
Resale Items	94,190	94,950	76,239
Subscriptions	2,205	1,000	1,651
Telephone/Fax	60,340	55,705	53,512
Travel	88,208	96,745	68,300
Other	21,820	7,200	15,199
	$ 448,841	$ 490,715	$ 373,691

The accompanying notes form an integral part of these financial statements.

Schedule 4

Carlton Trail Regional College
Schedule of Restricted Net Assets Transactions
for the year ended June 30, 2003

	Beginning Balance	Appropriations to net assets	Appropriations from net assets	Ending Balance
Internally Restricted				
Information Technology	$ 95,955	-	-	$ 95,955
	$ 95,955	$ -	$ -	$ 95,955

The accompanying notes form an integral part of these financial statements.

CARLTON TRAIL REGIONAL COLLEGE
Personal Services, Honaria, etc
For the Year Ended June 30, 2003
"Unaudited"

Listed are non-unionized employees who received payments for salaries and wages, which total $2,500 or more:

Barber, Rob	$ 100,670	
Burgess, Andy	79,836	
Gebauer, Daryl	7,750	
Ulrich, Sheri	30,932	
Varga, Pat	65,944	
Warner, Cindy	34,947	
		320,078
Unionized Employees	1,485,669	
Summer Students	8,107	
Community Access Project Students	134,192	
		1,627,968
Total		$ 1,948,046

CARLTON TRAIL REGIONAL COLLEGE
Supplier Payment Listing
for the year ended June 30, 2003
"unaudited"

Listed are payees who received $20,000 or more for the provision of goods and services, including office supplies, communications, contracts and equipment.

Assoc of Sask Regional Colleges	$	26,000.00
Blue Cross	$	62,828.05
CIT	$	25,005.38
Drake Meat Processors	$	52,668.74
Froehlich, Don	$	48,719.33
Grand & Toy	$	24,292.18
Hrycan, Larry	$	32,075.30
Humboldt Holdings	$	72,692.26
Humboldt School Division #104	$	43,630.10
Michel's Industries Ltd.	$	30,000.00
Prairie Driver Training Services	$	26,145.00
Prince Albert Tribal Council (CAP)	$	66,861.00
Receiver General for Canada RP0001	$	601,086.06
Receiver General for Canada RP0002	$	77,456.02
Sask Property Management	$	44,008.16
Sask Power/Energy	$	23,509.26
Sask Public Scool Div (CAP)	$	29,068.50
Sask Tel	$	63,354.11
SGEU - Chief Executive Office	$	22,664.04
SK Mun Employees Pension Plan	$	136,509.22
SK Teachers' Superannuation Fund	$	30,928.04
SIAST Kelsey Institute	$	354,861.05
SIAST Palliser Institute	$	30,796.01
SIAST Wascana Institute	$	164,704.02
STOMP Pork Farm	$	65,000.00
St. Peter's College	$	40,099.00
Yungmann, Dave	$	23,878.76
Total	**$**	**2,218,839.59**